# Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of the	)	
Telecommunications Carriers Eligible for	)	WC Docket No. 09-197
Universal Service Support	)	
	)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization	)	
-	)	
US Connect LLC Compliance Plan	)	

# US CONNECT LLC'S AMENDED COMPLIANCE PLAN

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# US CONNECT LLC'S AMENDED COMPLIANCE PLAN

### I. INTRODUCTION

US Connect LLC ("US Connect" or the "Company") is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier ("ETC") solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission ("FCC" or "Commission") has forborne from that requirement for carriers that are, or seek to become, Lifeline-only ETCs. US Connect will avail itself of the FCC's conditional grant of forbearance and, by its attorney, hereby files its Amended Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the *Order*. For the Commission's convenience, this Amended Compliance Plan

<sup>&</sup>lt;sup>1</sup> In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Order").

<sup>&</sup>lt;sup>2</sup> Although the Company qualifies for and seeks to avail itself of the Commission's grant of forbearance from the facilities requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal service funding under state program rules and requirements.

replaces, in its entirety, the Compliance Plan as originally filed on February 15, 2012. Given the severe economic environment that is forcing many low-income customers to forego wireless service, US Connect respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

### II. BACKGROUND

In the *Order*, the Commission granted forbearance from the "own-facilities" requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>3</sup>

- (1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and
- (2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier's various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

# III. US CONNECT WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER

US Connect will comply with all conditions set forth in the *Order*, the provision of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

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<sup>&</sup>lt;sup>3</sup> See Order at ¶¶ 368, 373 and 379.

#### Access to 911 and E911 Services Α.

In the Order, the Commission requires US Connect to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.<sup>4</sup> The Commission and consumers are hereby assured that all US Connect customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from US Connect handsets even if the account associated with the handset has no minutes remaining.

### B. **E911-Compliant Handsets**

The Commission also conditioned its grant of forbearance determination on US Connect providing only E911-compliant handsets to its Lifeline customers.<sup>5</sup> US Connect will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing US Connect customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well.

### C. **Consumer Eligibility and Enrollment**

US Connect will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, US Connect will rely on the state identification or database.<sup>6</sup> In instances where US Connect is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

<sup>&</sup>lt;sup>4</sup> See Order at  $\P$  373. <sup>5</sup> See id.

<sup>&</sup>lt;sup>6</sup> See Order at ¶ 98.

#### 1. **One-Per-Household**

US Connect understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as "any individual or group of individuals who are living together at the same address as one economic unit." Upon receiving an application for Lifeline support, US Connect will check the duplicates database, once in place, to determine whether an individual at the applicant's residential address is currently receiving Lifelinesupported service. US Connect will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address. If US Connect determines that an individual at the applicant's address is currently receiving Lifeline-supported service, US Connect will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, US Connect will require applicants to complete and submit to the Company USAC's one-per-household template, which will contain the following: (1) an explanation of the Commission's one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant's household and share in the household's expenses or benefit from the applicant's income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).8 US Connect will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

<sup>&</sup>lt;sup>7</sup> See Order at  $\P$  74. <sup>8</sup> See Order at  $\P$  78.

On its certification forms, a draft sample of which is attached, US Connect will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and a billing address for the service, if different (which may include a P.O Box or General Delivery address). US Connect will inquire on its certification forms whether or not the applicant's address is a temporary one. If it is, US Connect will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of US Connect's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, US Connect will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving. If the subscriber has moved, US Connect will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.

As detailed below, US Connect's certification form will clearly explain the one-perhousehold requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

### 2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature, collateral or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the

<sup>11</sup> See Order at  $\P$  89.

<sup>&</sup>lt;sup>9</sup> See Exhibit A. The draft form remains subject to change, but substantially reflects the content of the Company's application.

<sup>&</sup>lt;sup>10</sup> See Order at  $\P$  85.

<sup>&</sup>lt;sup>12</sup> See Order at  $\P$  85.

<sup>&</sup>lt;sup>13</sup> See id.

program and state-specific eligibility criteria. US Connect's application form will identify that it is a "Lifeline" application. US Connect will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interact with actual or prospective consumers with respect to obtaining, changing or terminating Lifeline services.

US Connect's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. US Connect's Lifeline certification forms, a draft sample of which is attached as Exhibit A, will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

US Connect will require all consumers, at sign up and annually thereafter, to certify under

### penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>14</sup>

The Company will primarily enroll Lifeline applicants in person at community events.

When a prospective customer applies at an event, Company employees, agents or representatives

<sup>&</sup>lt;sup>14</sup> See Order at  $\P$  168.

("personnel") will ask to see a government issued ID and will validate the address via a USPS/Melissa Database and simultaneously input the name/address combination into a third party duplicates database (currently CGM, LLC's aggregate database) to confirm that the applicant is not already receiving a Lifeline subsidy from US Connect or any other CGM/TSB client (see section III.D below). In cases where an eligibility database exists, event personnel will contact the Company's internal group dedicated to verifying eligibility who will query the database and either approve or deny the applicant. In states where eligibility databases are not available, event personnel will request to see the applicant's proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. US Connect's Lifeline application contains an "Office Use Only" section, which must be completely filled out and signed by event personnel in order to record information about the specific documentation reviewed as part of the eligibility verification process. Eligibility documents are returned to the customer after review. Finally, event personnel will verbally explain the certifications to consumers before they initial the required disclosure statements and sign the application. Once the Lifeline application is complete, it is scanned into the Company's database. Upon successful completion of the certification process, the customer is allowed to choose a service plan and receive their free phone in person. In instances where eligibility databases cannot be accessed in real-time, US Connect will mail the phone to the customer once verification of eligibility is complete. The customer's account is then activated upon the customer's personal initiation or actual use of the phone.

When enrolling via the Internet, prospective customers will be able to fill out an application form online and sign electronically. US Connect will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before

moving on to the next field.<sup>15</sup> The Company will qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, US Connect is able to complete the eligibility verification process, destroy copies of proof documentation, and deliver phones to eligible customers by mail.

With respect to those enrolling via the phone, Company personnel are able to verbally explain the Lifeline program and its eligibility requirements, including required information and disclosures, as well as collect and input electronically the application form information and obtain the applicant's signature via IVR. The Company then has the information needed to qualify the applicant by accessing necessary databases (USPS/Melissa, duplicates database, eligibility databases). Upon receipt of copies of the applicant's proof documentation, if applicable, and government-issued ID, US Connect is able to complete the eligibility verification process, destroy copies of proof documentation, and deliver phones to eligible customers by mail.

If in the future US Connect decides to enroll customers at retail stores, the protocol for signing up customers will closely resemble the process at an event. Company employees, agents or representatives will be able to access necessary databases (USPS/Melissa, duplicates database, eligibility databases) to verify eligibility, and, when required, can personally review eligibility based on proof of income or program participation. Company personnel will verbally review the required disclosures with applicants and obtain the completed application form in person. Phones will be delivered upon successful completion of the certification process, as detailed above.

US Connect will determine eligibility utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a),(b)), as well as any additional state-specific

<sup>&</sup>lt;sup>15</sup> *See Order* at ¶ 123.

criteria. Prior to enrolling a new subscriber, US Connect will check the eligibility of low-income consumers first by accessing state or federal social services electronic eligibility databases, where available. 16 If a database is used to establish eligibility, US Connect will not require documentation of the consumer's participation in a qualifying federal program; instead, US Connect or its representative will note in its records what specific data was relied upon to confirm the consumer's initial eligibility for Lifeline.<sup>17</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for US Connect to check electronic databases for eligibility, US Connect will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available. 18 US Connect will require acceptable documentation both for income eligibility and for program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the consumer demonstrated his or her eligibility. 19 US Connect understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases US Connect remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>20</sup>

US Connect provides employees, agents, and representatives with training designed to give them an understanding of Lifeline program requirements and permit them to review customer documentation and determine whether it is sufficient to establish a customer's eligibility to participate in the Lifeline program under the Commission's rules. No Company employee, agent,

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<sup>&</sup>lt;sup>16</sup> See Order at  $\P$  97.

<sup>&</sup>lt;sup>17</sup> See Order at  $\P$  98.

<sup>&</sup>lt;sup>18</sup> See Order at  $\P$  99.

<sup>&</sup>lt;sup>19</sup> See Order at ¶ 101.

<sup>&</sup>lt;sup>20</sup> See Order at ¶ 110.

or representative may accept a Lifeline application unless he or she has first completed this training program and demonstrated an understanding of the underlying material. Among other things, the Lifeline program training discusses the Company's Lifeline application form (see Exhibit B) on a section-by-section basis. The training explains what sections of the form must be completed by the customer and reviews the form disclosures in detail, to facilitate the ability of Company personnel to explain each item contained therein and answer any customer questions.

#### 3. **Annual Re-Certification**

US Connect understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.<sup>21</sup> By December 31, 2012, US Connect will re-certify the continued eligibility of all of its subscribers by contacting them—either in person, in writing, by phone, by text message, by email, or otherwise through the Internet—to confirm their continued eligibility.<sup>22</sup> The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact the Company. US Connect will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. US Connect understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.<sup>23</sup>

Alternatively, where a database containing consumer eligibility data is available, US

<sup>&</sup>lt;sup>21</sup> See Order at  $\P$  130. <sup>22</sup> See id.

<sup>&</sup>lt;sup>23</sup> See Order at ¶ 132.

Connect (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, US Connect will contact the subscriber every year during the annual certification process to obtain a valid address.<sup>24</sup> After 2012, US Connect will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.<sup>25</sup>

US Connect will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of US Connect's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

- (1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state, and
- (2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>26</sup>

### D. Other Reforms to Eliminate Waste, Fraud and Abuse

US Connect shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or

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<sup>&</sup>lt;sup>24</sup> See Order at  $\P$  131.

<sup>25</sup> See Order at ¶ 133

<sup>&</sup>lt;sup>26</sup> See Order at ¶ 126-27.

intentionally.

US Connect has implemented enrollment procedures designed to prevent subsidies for duplicate, ineligible, or inactive subscribers. The Company contracts with a third party Lifeline service bureau, currently CGM, LLC, a Georgia-based company, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, US Connect ensures that it does not over-request from support funds.

For each applicant, US Connect first validates the applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, US Connect requires the applicant to provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, US Connect verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, US Connect checks any available eligibility database. If one is not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. This prevents ineligible applicants from receiving the subsidy.

US Connect verifies the address of the applicant first via the applicant's government issued ID, then validates the address via a USPS/Melissa Database to ensure the address is correct.

Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from US Connect or any other CGM client. This is done through an API connection between the Company's provisioning platform and CGM. This then prompts the representative to detail the one-per-household rule with the applicant.

### 1. **National Lifeline Accountability Database**

US Connect will participate in the National Lifeline Accountability Database, once it is established. As required by the Order, US Connect will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>27</sup> US Connect will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.<sup>28</sup>

Furthermore, US Connect will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be divulged to USAC (the administrator of the program) and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>29</sup>

Within 30 days following Commission notice that the database is capable of accepting queries, US Connect will query the database to check to see if a prospective subscriber is already receiving service from another ETC at a residential address prior to seeking reimbursement from

<sup>&</sup>lt;sup>27</sup> See Order at ¶ 189. <sup>28</sup> See Order at ¶ 190.

<sup>&</sup>lt;sup>29</sup> See Order, Appendix C.

### 2. **Subscriber Usage**

US Connect will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, US Connect will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.<sup>31</sup> US Connect will notify its subscribers at service initiation, via the certification form and via script that is reviewed with every customer, about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>32</sup> An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>33</sup> US Connect utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.<sup>34</sup> After notification, if the customer fails to use the phone, it is automatically de-enrolled pursuant to the procedures outlined in section E below. US Connect will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a

<sup>&</sup>lt;sup>30</sup> See Order at  $\P$  203.

<sup>&</sup>lt;sup>31</sup> See Order at  $\P$  257.

<sup>&</sup>lt;sup>32</sup> See id.

<sup>&</sup>lt;sup>33</sup> See Order at  $\P$  261.

<sup>&</sup>lt;sup>34</sup> CGM, LLC is currently the Company's third party contractor.

### 3. Marketing & Outreach

US Connect will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. US Connect will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service: <sup>36</sup> (1) the offering is a Lifeline-supported service; (2) only eligible consumers may enroll in the program; (3) the program is limited to one benefit per household, consisting of either wireline or wireless service; and (4) Lifeline is a government benefit program. US Connect's website and printed collateral will explain the documentation necessary for enrollment, and the details of US Connect's plans. Such collateral and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>37</sup> For broadcast advertisements and outdoor signs, and any other situation in which inclusion of documentation information and warnings against willful false statements are not practicable, US Connect will include the URL link for its website where disclosures will be listed. Additionally, US Connect will disclose the company name under which it does business.<sup>38</sup>

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 $<sup>^{35}</sup>$  See Order at ¶ 262. 911 transmission will actually be performed by the Company's underlying facilities-based CMRS provider.

<sup>&</sup>lt;sup>36</sup> See Exhibit B for sample advertisements. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. *See Order* at ¶ 275.

<sup>&</sup>lt;sup>37</sup> See Order at  $\P$  275.

<sup>&</sup>lt;sup>38</sup> See id.

### 4. Audits

If US Connect draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess US Connect's overall compliance with the program's requirements.<sup>39</sup> US Connect will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>40</sup>

### E. De-Enrollment

US Connect will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2). If a customer does not respond to the Company's annual verification survey within 30 days, or if US Connect has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), US Connect will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated. Similarly, US

<sup>40</sup> See Order at  $\P$  294.

<sup>&</sup>lt;sup>39</sup> See Order at ¶ 291.

<sup>&</sup>lt;sup>41</sup> See Order at ¶ 122.

<sup>&</sup>lt;sup>42</sup> See id. In states that have dispute resolution procedures applicable to Lifeline termination, the

Connect will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>43</sup>

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process, 44 US Connect will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. US Connect will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. US Connect will provide the subscriber 30 days' notice, using clear, easily understood language, that the subscriber's failure to use the Lifeline service within the 30-day notice period will result in service termination for non-usage; such notice may be initiated after 30-days of non-usage. US Connect will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC. 45

#### F. **Additional Rule Amendments**

#### 1. **Terms and Conditions of Service**

The Company's Lifeline offering is summarized in section IV.C below. The Company's terms and conditions of service are subject to change as needed, and the most current version will be maintained at www.usconnectmobile.com.

#### **Reporting Requirements** 2.

US Connect will report all information required by section 54.422, including as it may heretofore be amended. This includes the names of the Company's holding company, operating

Company will comply with the state requirements.

<sup>&</sup>lt;sup>43</sup> See Order at  $\P$  89.

<sup>&</sup>lt;sup>44</sup> See Order at ¶ 214-16.

<sup>&</sup>lt;sup>45</sup> See Order at  $\P$  257.

companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>46</sup>

### 3. Reimbursement from USAC

In seeking reimbursement for Lifeline, US Connect will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.<sup>47</sup> US Connect will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,<sup>48</sup> and the Company will seek reimbursement for actual lines served, not projected lines.<sup>49</sup>

### 4. Section 54.202 Certifications

US Connect certifies the following in accordance with newly amended C.F.R. § 54.202: (1) US Connect will comply with the service requirements applicable to the support that it receives; (2) US Connect is able to remain functional in emergency situations; (3) US Connect will satisfy applicable consumer protection and service quality standards.

### IV. COMPANY INFORMATION

US Connect is a Georgia limited liability company. US Connect will provide prepaid wireless telecommunications services to consumers by using the network of its underlying

<sup>48</sup> *See Order* at ¶ 128.

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<sup>&</sup>lt;sup>46</sup> See Order at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

<sup>&</sup>lt;sup>47</sup> See Order page 221.

<sup>&</sup>lt;sup>49</sup> See Order at  $\P$  302.

carrier(s), currently Sprint Spectrum L.P. ("Sprint"). Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to resellers like US Connect. US Connect will obtain from Sprint via Boomerang Wireless, LLC d/b/a Ready Mobile the network infrastructure and transmission facilities to allow US Connect to operate as a Mobile Virtual Network Operator ("MVNO").

### A. Names and Identifiers

US Connect operates under the name US Connect LLC.<sup>50</sup> US Connect is owned by Great Wireless LLC and LCSD Holdings LLC. The principals of these two companies also share ownership in the following companies: ASAP Distributors, LLC, which handles customer acquisition for US Connect and other ETC carriers; and ReWireless, LLC, a professional fulfillment company which handles a portion of the warehousing and fulfillment activities for US Connect and a number of other wireless carriers.

# B. Financial and Technical Capability

US Connect is financially and technically capable of providing Lifeline-supported services.<sup>51</sup> US Connect offers service to both Lifeline and non-Lifeline customers, and already provides service in Arkansas, Maryland and West Virginia. US Connect has not been subject to enforcement action or ETC revocation proceedings in any state. US Connect has the financial resources to provide quality Lifeline-supported services and will not rely exclusively on USF disbursements to operate. In addition to private funding, US Connect can rely on top-up revenue (customers purchasing additional minutes) and revenue from non-Lifeline wireless services.

<sup>&</sup>lt;sup>50</sup> US Connect is registered under its Company name, US Connect LLC, with the Secretary of States in the states where it provides wireless services, with the exception of the states in which the Company name was not available (California, Colorado, Michigan, Pennsylvania, Texas); in those states, the Company is registered with the Secretary of States under the assumed name or DBA name of US Connect Wireless LLC.

<sup>&</sup>lt;sup>51</sup> See Order at ¶ 387.

Furthermore, the senior management of US Connect has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company. 52 US Connect will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

### C. **Lifeline Offering**

US Connect will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier, currently Sprint. US Connect currently offers Lifeline service in Arkansas, Maryland and West Virginia. As summarized in attached Exhibit D, the Company's Lifeline offering will provide customers with a free handset and the following options for included monthly minutes:<sup>53</sup>

- **68 Minutes.** Unused minutes will rollover for 12 months. Text messaging available at the current rate of 3 texts per 1 minute of voice.
- 125 Minutes. Unused minutes will rollover for 3 months. Text messaging available at the current rate of 1 text per 1 minute of voice.
- 250 Minutes. Unused minutes will not rollover. Text messaging available at the current rate of 1 text per 1 minute of voice.

In addition to wholly-supported voice services, US Connect's Lifeline plans will include the following Custom Calling features at no charge: Caller ID, Call Waiting, and Voicemail. Lifeline customers will have the capability of purchasing additional bundles of minutes in denominations as low as \$5, \$10, and \$20.<sup>54</sup> Airtime replenishment cards will be made available at retail outlets

<sup>&</sup>lt;sup>52</sup> See Exhibit C for key management resumes.

<sup>&</sup>lt;sup>53</sup> US Connect may alter its Lifeline plans on a state-by-state basis as needed, particularly as required by state public utility commissions.

 $<sup>^{54}</sup>$  Current rates: \$5 = 35 minutes, \$10 = 75 minutes, \$20 = 160 minutes, \$30 = 270 minutes, and \$50 = 700 minutes.

frequented by low income customers throughout the Company's service area, and customers may

also purchase airtime over the phone or online. US Connect does not impose burdensome credit

checks or long-term service contracts on its prepaid customers. Customers are not bound by a local

calling area requirement; all US Connect plans come with domestic long distance at no extra per

minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network.

Calls to US Connect customer service will be free, and calls to 911 emergency services are always

free, regardless of service activation or availability of minutes.

V. <u>CONCLUSION</u>

US Connect submits that its Compliance Plan fully satisfies the conditions of forbearance

set forth in the Commission's Order. Implementation of the procedures described herein will

promote public safety and should ensure that Lifeline customers have access to 911 and E911

services while safeguarding against misuse of the Company's Lifeline services. Accordingly, US

Connect respectfully requests that the Commission expeditiously approve its Compliance Plan so

that the Company may begin providing the benefits of much-needed Lifeline service to qualifying

low-income consumers as quickly as possible.

Respectfully submitted,

US Connect LLC

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart Lance J.M. Steinhart, P.C.

1725 Windward Concourse

Suite 150

Alpharetta, Georgia 30005

(770) 232-9200

Its Counsel

Dated April 26, 2012

# Exhibit A

Sample Lifeline Certification Form

### **US Connect LLC**

### LIFELINE APPLICATION

This signed authorization is required in order to enroll you in the Lifeline Program in your state. This authorization is only for the purpose of verifying your participation in these programs and will not be used for any other purpose. Service requests will not be processed until this form has been received and verified by Company. I authorize the company to access any records required to verify my statements on this form and to confirm my eligibility for the Lifeline program.

Things to know about the Lifeline Program:

APPLICANT'S SIGNATURE

(1) Lifeline is a federal benefit. (2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and (3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses. Applicant Information: \_\_\_\_\_ Date of Birth: Month \_\_\_ Day \_\_\_ Year \_\_\_ \_\_\_\_\_ MI: \_\_\_\_ Last Name: \_\_\_\_\_ First Name: \_\_\_\_(XXX-XX-XXXX) Contact Telephone Number: \_\_\_ Social Security Number (or Tribal ID Number): \_\_\_\_ Residence Address (No P.O. Boxes, Must be your principal address): This address is Permanent Temporary Multi-Household \_\_\_\_\_ State: \_\_\_\_ ZIP Code: \_\_\_\_ \_ APT/ Floor/ Other \_\_\_\_\_ City: \_\_\_ Billing Address (May Contain a P.O. Box) \_\_\_ State: \_\_\_\_ ZIP Code: \_\_\_ \_\_ APT/ Floor/ Other \_\_\_\_\_ City: \_\_\_ \_ I hereby certify that I participate in at least one of the following programs: (Check all that apply) FOR OFFICE USE ONLY: Company Representative: Supplemental Nutrition Assistance Program (SNAP) Supplemental Security Income (SSI) Documentation Verified: Federal Public Housing Assistance Low- Income Home Energy Assistance Program (LIHEAP) Representative Signature: National School Lunch Program Temporary Assistance for Needy Families (TANF) Date: Medicaid I certify that my household income is at or below 135% of the Federal Is this a multi- family dwelling? Initial Here Poverty Guidelines (FPG). There are \_\_\_\_\_ individuals in my household. I certify, under penalty of perjury: (Initial by Each Certification) - (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program. (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines. **(**3) I have provided documentation of eligibility if required to do so. \_ (4) I understand that I and my household can only have one Lifeline-supported telephone service. US Connect has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my deenrollment from the lifeline program, and could result in criminal prosecution by the United States Government. \_ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline supported service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless. (6) I understand my US Connect Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer. (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact US Connect to confirm that I want to continue receiving their service. I will notify US Connect within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify my phone company. Specifically, I will notify my company if: (1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG. My household is receiving more than one Lifeline supported service; (3) I no longer satisfy the criteria for receiving Lifeline support. (9) I will notify US Connect within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with US Connect every ninety (90) days. If I fail to respond to US Connect's address verification attempts within thirty (30) days, my US Connect Lifeline service may be terminated. — (10) US Connect has explained to me that I am required each year to re-certify my continued eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my US Connect Lifeline service. \_\_ (11) I authorize and understand that US Connect may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy. (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

DATE

# Exhibit B

Sample Advertisement

US Connect LLC Sample Radio Ad – April 2012

Connect with us.

If you currently receive government assistance, you may be eligible for free phone service.

With U.S. Connect's Lifeline service, you can receive 250 minutes per month at no cost to you! Or, you can choose plans with 68 or 125 included minutes per month which rollover.

You qualify for Lifeline, a government benefit program, if you or a member of your household participates in one of the following programs:

Food Stamps, Medicaid, Section 8, Free Lunch and many others.

Lifeline is non-transferrable and is limited to one benefit per household. Only eligible consumers may enroll - proof of eligibility is required.

Call us today at 817-601-4659 or visit us online at <a href="www.usconnectmobile.com">www.usconnectmobile.com</a> to learn more and sign up today!

U.S. Connect. We connect America!

# **Exhibit C**

Key Management Resumes

### Louis A. White, CEO

Mr. White bears the responsibility of establishing the growth strategy and overseeing the business's marketing and strategic partnerships. Louis's core focus is generating profitable growth and increasing market share. Louis concurrently holds the position of CEO in two additional companies: ReWireless, LLC and ASAP Distributors, LLC. The focus of ReWireless is to purchase and program wireless mobile handsets that are then sold to multiple wireless ETC's throughout the United States. ASAP Distributors performs the distribution of wireless mobile handsets for multiple wireless ETC's throughout the United States. Louis is also the President of TXL Energy in Dallas, Texas. TXL Energy is a reseller of residential electricity services throughout de-regulated areas in the state of Texas. Louis Founded TXL Energy in October of 2008 and has grown the company to an annual revenue of \$250,000. The shining star of Louis's achievement in establishing TXL is procuring the on-demand distribution network of approximately 1,400 retail stores throughout Texas. Prior to Assist Holdings and its subsidiaries, Louis successfully founded iZoomOnline, a nationwide internet service provider that was maximized through its channel relationships and was sold to Rent-a-Center. Additionally, Louis brings eight years of executive level management experience in business development, management, sales & marketing in the financial services and technology industries. Louis began his entrepreneurial career in 1999, as founder and CEO of Infidime, LLC, a value-added reseller (VAR) of network security services for ecommsecurity.com and symantec.com. Louis led the sales pipeline from \$0-3 million in 6 months, and successfully sold the VAR organization to the Rockbridge Group and Form53.com. Louis founded Credit Match Systems, LLC and was the driving force from conceptual design to execution, established a high-profile management team, held P&L responsibility, and led funding efforts and played the spearhead role in establishing key relationships with clients such as Bank of America, Sterling Bank & Trust, Chase, Providian, and others. Louis has been an advisor to Georgia State's Business School, and has been honored by the school with a success model case study at the Georgia State University Business School. Louis's core education was obtained at the Ohio State University where he earned a Paralegal B.S. with a Business Administration focus. Louis has studied with government training organizations, specifically in the areas of six sigma process analysis. Mr. White served on the Operating Committee for the Massachusetts Institute of Technology (MIT) Enterprise Forum of Atlanta, was an honorary member of the Business Advisory Council for the National Republican Congressional Committee (NRCC) and has served on the Board of Directors for several organizations throughout his career.

### Suleman Bhimani, CFO

Mr. Bhimani has been an entrepreneur for over 15 years. His knowledge base is diverse and is not limited to retail & wholesale of gold & diamond, wireless accessories and perfumes. Suleman also has a firm understanding of the real estate industry and has invested in many convenience store and gas stations. He has established synergies by successfully setting up a c-store wholesale based in Tyler, Texas and is also a gas dealer who possess exclusive dealership contract with Valero Corp. Suleman has operated wireless stores since the late 90's; he was also a T-Mobile exclusive dealer for more than half a decade and has conducted business all over Texas. Since September 2011 Suleman has been a member and manager of US Connect, LLC. US Connect, LLC is an ETC licensed company that provides wireless services and free phones to its

qualifying customers. He is the company's CFO and caters to the company's financial expansion need. Furthermore, Mr. Bhimani is also a phone wholesaler to ETC licensed holder and other customers.

### **David F. Martin, COO**

(Please see attachment)

### **Stephen Scott, President**

Mr. Scott brings a 10 year history of successful Product Management/Development and Marketing experience in the wireless market segment of the telecommunications industry to the Company in a blend of hands-on experience and management skills. At dPi Stephen was responsible for oversight of regulatory matters, marketing, product planning, product implementation and agent distribution. At Cricket, he led the team responsible for all aspects of the mobile entertainment and content product line resulting in many successful revenue generating services. At INCOMM, he managed the team responsible for all wireless carrier strategic initiatives, account management and relationship building while managing relationships with 12 US wireless carriers to maintain profitable and mutually beneficial distribution arrangements with over 70K retail locations. Stephen is an honors graduate of Abilene Christian University's College of Business Administration with a double major in Marketing and Management and spent a semester abroad at Oxford University in Oxford, England.

### **Bassam Abdallah, Director of Operations**

Bassam is an alumnus of DePaul University where he earned a Bachelor's of Science Degree in Computer Science in 1983. Upon completion of his studies, he was employed for Isticharat as a Cobol Programmer within their IT Department. His responsibilities included coding, analysis and testing financial applications. He remained employed there until he decided to use his experience to gain employment with the California Judicial Council in 1989 as a programmer, responsible for the coding of applications used to track inventory and payroll until 1987. It was in 1998 when Bassam decided to change career paths and enter into the Telecommunications field as Director, with Global Connections, where he served till 2008. Due to his education and extensive programming experience, Bassam had supervised the in-house development of the company's software applications and has since been a vital part of the development in the functionality and operational departments required in the success of Global Connections. Throughout his career, he has proactively stayed abreast of continuous changes within the industry in order to be effective in his role as Director of Global Connections and as a Board Member of the NALA Organization. Also, his knowledge of the 1996 deregulation code and its impact on the Telecommunication industry has helped in effectively negotiating interconnection agreements with other ILECs that govern the relationship between those companies. He also served as the single point of contact between Global Connection and these ILECs so that the positive relationship built between those companies is maintained and continued to develop. Because of the increasing demand for implementing changes and remaining compliant with the various governing bodies involved within the

Telecommunications industry, Bassam has also continued to educate himself in the functions which relate to the networking aspects, including, but not limited to those regarding the workings of voice components, switches, common transport, loops and ports, etc. This knowledge is crucial in his ability to participate in the ATT User Group meetings which allows Global Connections, among other CLECs, discuss the problems and issues between Bellsouth and the CLECs community in order to improve productivity. These improvements encompass Bassam to gain insight into the implementation of new products such as VOIP (voice over IP) technology, negotiate with different MVNO's the possibility of using their platforms to offer wireless services to potential customers. It's through this dedication and thrives for success that has made Bassam a valuable asset in this telecommunications industry. Because he managed every department at Global Connection that gave him the expertise of knowing how data should flow between these departments that made the CLEC run successfully. Bassam was in charge of cost control and that was essential in Global Connection being profitable for eight successive years.

### David F. Martin

2414 Overbrook Dr. Arlington, TX 76014 (682) 521-6334 david22martin@gmail.com

# **Highlights of Qualifications**

- Proven success in implementing productivity-enhancement systems
- Strong practical and theoretical foundation in improving efficiencies and production methods
- Foreign Trade Zone knowledge and regulation requirements
- Excellent management skills and experience
- Proficient in computer programming and operating systems
- Licensed radiation officer

### **Professional Experience**

**APL Logistics,** Grand Prairie, TX Third Party Logistics
General Manager

January 2003 - April 2009

Manage a campus that consisted of 3 buildings totaling 1.85 million square feet with annual revenue of \$46M. Daily duties included overseeing 123 employees, 6 supervisors and 3 operation managers. These associates worked on various accounts through out the campus. The accounts varied from storage to pick/pack & ship operations. The accounts under this campus are USPS, Kawasaki, Yamaha, RCA, Haggar Clothing, Radio Shack, Colgate, Wausau paper, Fedders A/C, Quaker Oats, Amcor, ADM, Springs Ind. and Coburns Supply. As a General Manager my responsibilities are to negotiate new contracts with current or new clients, utilize telemarketing information to pursue new business, perform weekly meetings with clients, budgeting, manage performance and P&L of all business within the campus and to engineer models of new business.

### **Achievements**

- Took over and turned profit in Cost Center that was losing \$500k per month
- Decreased turnover from 62% to 8.5%
- Implimitation of RFID
- · Gain sharing for associates
- 2005 Highest \$ Contribution Award
- 2006 Facility of the Year

### **USF Logistics**, *Grand Prairie*, *TX*

July 2000 – June 2001

Third Party Logistics firm for an International Jewelry Company.

Operations Manager

Daily duties included managing a warehouse staff of 65 associates, two managers, four supervisors and eight Foreign Trade Zone administrators. Full P & L responsibility on a 3 million dollar a year budget and 450 million-dollar inventory. Negotiated contracts for domestic LTL freight and foreign ocean & air carriers. Responsible for daily reconciliation between warehouse management system and FTZ system (Ez-FTZ). Training of warehouse staff on SOP's, along with Foreign Trade Zone regulations to insure compliance with US Customs. Utilized AS/400 system along side Provia software as our WMS package. EDI was utilized for all transactions between client and USF Logistics. RF hand guns and thin client terminals were utilized to perform tasks through out the facility.

### **Achievements**

- Engineered Finish out on 120,000 sq. ft Foreign Trade Zone facility
- Implementation of Warehouse Management System (ProVia)
- Automated routing system
- 99.98% inventory accuracy

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### Maintenance Warehouse / THE HOME DEPOT, Irving, TX

ng, TX July 1996 – February 2000

General Manager (Distribution Center)

Responsible for day-to-day operations of a time sensitive maintenance supply distributor. All orders called in by 5:00 p.m. must ship same day. Over 20,000 sku's consisted of tools, nuts, bolts, A/C supplies, 2-way & 3-way radios, telephones, caulking and electrical devices. Utilized Oracle WMS for all operations within the facility. Directed three supervisors, three customer service representatives and 40 warehouse associates in the receiving, stocking, shipping and customer service departments. Track sales, productivity and efficiencies daily. Verify outbound deliveries via tracking system to assure next day delivery on all customer orders. Full P & L responsibility on a 1.25 million dollar a year budget and 4 million-dollar inventory.

### **Achievements**

- Achieved 100% same day shipment Oct '96 Feb 2000
- Only member from DC management team to be appointed to company logistic council headed by Deloitte & Touche.
- Implemented bar coded pick tickets and bar codes for incoming goods
- Zone/Batch picking improved productivity 38%
- Installed RF scanners in Distribution Centers

# Aplex Medical Supply, Grand Prairie, TX

Director of Operations

Feb. 1993- May 1996

Managed 38 associates, 3 managers and 4 supervisors within five departments consisting of Customer Service, Purchasing, MIS, Distribution and Accounts Receivable. Independently responsible for company budgeting and P& L. Improved resource utilization, by negotiating consignment goods with top vendors. Performed staffing analysis, computer systems analysis, computer simulation programming. Analyzed daily sales, fill ratios and out bound freight standards. Evaluated labor and management performance. Implemented automated purchasing and freight system. MAS90 was utilized as the operating system of the facility.

### **Achievements**

- Increased inventory turns from 3.2 to 9.8
- Achieved .0038% error ratio in order entry and order pulling
- Established same day shipment on all orders called in before 5:00pm
- Increased order fill ratio to 98.6%

### **Quorum International**, Ft. Worth, TX

December 1988- September 1992

Purchasing / Inventory Manager

Responsible for forecasting, daily cycle counts, assembled goods and purchasing of inventory, warehouse supplies and equipment. Negotiated pricing with factories in Taiwan, China, Mexico and Korea.

### **Achievements**

- Increased inventory turns from 1.4 to 4.2
- Reduced inventory shrinkage from \$140,000 to \$5,300
- · Employee of the year

### Distribution Center / Manufacturing Manager

Managed 32 employees's, receiving, shipping and stocking departments. Negotiated contracts for domestic LTL freight and foreign ocean carriers. Responsible for product research & development, foreign factories, product specifications and quality control.

### **Achievements**

- Established QC inspectors at all foreign factories
- Decreased companies return ratio to less than 1%

### Education

University of Texas at Arlington, 1980 – 1984

Major: Business Administration Minor: Accounting and Pre-Law

### **Exhibit D**

### Proposed Lifeline Rate Plans

### 68 Minutes Plan - \$0

- 68 anytime minutes per month
- unused minutes rollover for 12 months
- 3 texts messages per 1 minute of voice

### **125 Minutes Plan - \$0**

- 125 anytime minutes per month
- unused minutes rollover for 3 months
- 1 text message per 1 minute of voice

### **250 Minutes Plan - \$0**

- 250 anytime minutes per month
- unused minutes do not rollover
- 1 text message per 1 minute of voice

# All plans come with:

- Free handset
- Free Voicemail, Caller-ID, Call waiting
- Free calls to Customer Service
- Free calls to 911 emergency services

### Additional bundles of minutes available:

\$5 = 35 minutes

\$10 = 75 minutes

\$20 = 160 minutes

\$30 = 270 minutes

\$50 = 700 minutes